(v) For maintaining increased credit flow at the ground level and ensuring adequate coverage of neglected/backward regions including north-eastern Regions, NABARD has been requested to relax its norms relating to minimum recovery for sanction of credit limits and norms, in the discipline of Minimum Involvement.

(vi) As a part of comprehensive restructuring package, equity support has been provided to Regional Rural Banks.

(vii) The share capital of NABARD has been increased by Rs. 1000 crores during the last two years.

(viii) State Level Agricultural Development Finance Companies have been set up in the States of Tamil Nadu, Andhra Pradesh and Karnataka with the objective of strengthening the flow of credit for commercial or high technology agriculture, export oriented agriculture and allied activities including infrastructure support systems.

(ix) The Cooperative Bank of India has been registered for being set up in order to enable the Cooperative Credit Structure to impart greater internal mobility to its resources and access to external sources of assistance.

(x) Guidelines in regard to requirement of collateral security by way of mortgage of land/ charge on land or third party guarantee have been liberalised.

(xi) Action has been initiated by the RBI for implementation of some of the recommendations of the High Level Committee (R.V. Gupta Committee) set up by the RBI to suggest measures for improving the credit delivery system in respect of commercial banks as well as simplification of procedures for agricultural credit.

(xii) NABARD has formulated a model scheme for issue of Ki-san Credit Cards (KCC) to farmers for adoption by the Banks to enable them to readily purchase agricultural inputs such as seeds, fertilizers, pesticides, etc. and draw cash for their production needs. Features of the Credit Card under the model scheme include availability of revolving cash credit facility, providing for a number of drawals and repayments, meeting the credit requirements of the farmer for the full year. Instructions have also been issued by RBI and NABARD to the scheduled - Commercial Banks and RRBs/ State Cooperative Banks for implementation of the scheme.

(xiii) The scope of rural credit system has been widened by formulising links with NGOs and Self Help Groups (SHGs).

(xiv) The Scheduled Commercial Banks including RRBs have been advised to provide 40% of the outstanding advances to priority sector borrowers. Similarly, banks have been advised to lend 18% of the net bank loan to agriculture sector.

(xv) In order to assess the scale of finance for various crops, district technial Committees have been constituted by State Governments.

Excessive Use of Fertilizers

1263. KUMARI NIRMALA DESHPANDE: Will the PRIME MINISTER be pleased to state':

(a) whether it is a fact that by applying

excessive doses of chemical fertilizers and use of insecticides and pesticides, the fertility of the soil is being depleted;

(b) what steps are being taken to arrest the process of loss of fertility of soil; and

(c) whether Government propose to encourage bio-fertilizers and bio-pes ticides?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SOMPAL): (a) and (b) There is no evidence to show that the use of chemical fertilizers and pesticides deplete fertility of the soil, if used as per recommended doses and in as integrated manner. Results of long term experiments have shown that integrated use of chemical fertilizers, organic and biofcrtilizers improve the soil productivity. However, in areas where high amounts of fetilizers are being used, the deficiencies of secondary micronutrients particularly sulphur, zine and iron have started appearing which indicate imbalance in the total nutrient supply to the crops. To arrest the process of loss of soil fertility, Government is propagating integrated use of chemical fertilizers and organic manures on the basis of soil test results.

The use of recommended doses of pesticides and insecticides also do not have any ill-effect on soils. To obtain better results integrated pest management is being popularised.

(c) Government of India is encouraging the use of biofertilizers and bio-pesticides in the country. Government is providing financial support for setting up of biofer-tiliser production units. Training prog-rammes for extension workers and farmers are being organised about the beneficial effects of the use of biofertilizers. Similarly, to promote integrated pest management, the training programme for farmers and extension workers are being organised extensively throughout the country. Government has set up bio-control labs to demonstrate and promote bio-control methods of pest managment and to minimise the use of chemical pesticides.

Shortfall in Farm Produce

1264. SHRI C. RAMACHAN-DRAIAH: Will the PRIME MINISTER be pleased to state:

(a) whether Government's attention has been drawn to news-item published in the Economic Times, dated the 24th November, 1998 captioned "Rural Farm produce to fall below target in 1998-99: NCAER";

(b) what are the causes for fall in output; and

(c) the steps proposed to ensure im-provement in food production?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SOMPAL):(a) Yes, Sir.

(b) Due to the floods and untimely rains in certain parts of the country, the Kharif foodgrains production for 1998-99 has been marginally affected. But, with the chances of better Rabi crops on account of favourable weather conditions, better reservoir situation, good pace of sowings and adequate availability of in-puts, the prospects for overall food pro-duction during 1998-99 are brighter.

(c) In order to increase production and productivity, the Government is imple menting crop specific centrally sponsored schemes/programmes under which incen tives are provided to farmers for use of quality seeds and location specific hybrid varieties, application of integrated pest management, propagation of scien tific water management including micro irrigation, improved farm implements etc. Besides, field demonstrations on farmers holdings including training of farmers and farm labourers are organised for effective transfer of technology. Further under the National Agenda for governance, the Government has given fresh thrust to double the food production in next ten